EXECUTIVE POLICY COMMITTEE
December 8, 2004

Re: Proposed property acquisition for future grade separation (1.75 Acres)
901 & 929 Shaftesbury Boulevard – File 7908 V-2
Deferred Local Improvement – Trunk Charges

On March 30, 2004 we received a letter from the City of Winnipeg, Land Development Branch advising us of additional servicing charges of $32,273.00 per acre or $56,478.00 for land required by the City of Winnipeg for a future grade separation. This letter also indicated that the acquisition of the land by the City for the future underpass is not a condition of Council's approval but that the delineation of this land is one of the conditions under which Council has approved our development application. Our interpretation of this wording allows the City to hold our land in abeyance and not pay fair market value at the time of the signing of a development agreement. Paying an additional $56,478.00 for 1.75 acres over and above the City's Engineering Department's charges (as shown below):

Shaftesbury Blvd. Improvements of	$78,134.00
Land Drainage Charges of	$69,018.32
Administration Charges of	$ 8,949.48
And dedication fees of	$61,200.00 ($6,800.00 per acre x approx. 9)

together with the deferred trunk charges of $20,040.00 is making the cost of this development totally unrealistic. We are unable to develop or retain our 1.75 acres but at the same time are charged for servicing this land which the City may or may not pay for.

In view of this additional charge, we again emphasize we wish to retain our property and develop our entire site of approximately 9 acres realizing a greater density and a much more viable development. We have had numerous interested parties in this site but due to the taking of land for a future grade separation they have declined entering into this venture.

We would respectfully request that these trunk costs be deferred until further discussions have clarified the taking of this land including the charges levied which are unfair and unjust.

It is unfortunate a development of this size and cost of some $25,000,000.00 to $30,000,000.00 has been delayed year after year thereby not increasing the benefits of a far greater tax base that would exist on 9 acres of agricultural land.

Submitted by: H. G. Schlamp

sutton group -
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AN INDEPENDENT MEMBER BROKER
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November 18, 2004

Dear Mr. Schlamp

I have recently reviewed the response of potential developers / joint venture partners in respect to your acreage on Shaftsbury Blvd. The property and its potential for development have been presented to (NAMES DELETED - CONFIDENTIAL) All of these corporations, as you are aware, have considerable experience in the multi-family developments. All of these developers were initially very interested in exploring the possibility but lost interest, rather quickly when they realized the impact of the railway line bordering the property and proximity of the buildings to the railway tracks. Also there was concern in respect to the approximately 1 ¾ acres that the City of Winnipeg was going to take bordering Shaftsbury.

It is my opinion that if the proximity of any residential buildings was altered to allow for a buffer zone and if the 1 ¾ acre piece was included in the development area, that more than one of these corporations would have their interest re-kindled.

Please keep me informed as to the status of your property should anything change.

Please call me if you have any questions or comments.

Sincerely Jim Wall

SUTTON GROUP – KILKENNY REAL ESTATE

Jim Wall
Sales Associate